

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SCHLUETER BUILDING)	
COMPANY D/B/A SOUTH HILLS SUBDIVISION)	
SEWER SYSTEM FOR AN ADJUSTMENT OF)	CASE NO. 94-333
RATES PURSUANT TO THE ALTERNATIVE RATE)	
FILING PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On November 10, 1994, Schlueter Building Company, d/b/a South Hills Subdivision Sewer System ("South Hills") filed its application with the Kentucky Public Service Commission ("Commission") seeking approval to increase its tariffed sewer rates by 183 percent. The proposed rates would generate additional annual revenues of \$6,791.

On April 21, 1994, Commission Staff conducted a field review of South Hills' test-period financial records. Based upon this review, Commission Staff issued a report on January 17, 1995, recommending that South Hills be allowed to increase its annual operating revenues by \$6,450, or 173 percent.

By Order dated January 17, 1995, the Commission advised all parties that comments on the Staff Report or requests for a public hearing must be submitted no later than February 1, 1995, or this case would stand submitted to the Commission for decision. No comments or requests for a hearing have been filed.

The Commission, after consideration of the evidence of record and being sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A, which is attached hereto and incorporated herein, are the fair, just, and reasonable rates for South Hills and will produce gross annual sewer revenues of \$10,170. These rates will allow South Hills sufficient revenues to meet its operating expenses.

3. The rates proposed by South Hills would produce revenues in excess of those found reasonable herein and should be denied pursuant to KRS 278.030 (1).

IT IS THEREFORE ORDERED that:

1. The rates proposed by South Hills in its application are hereby denied.


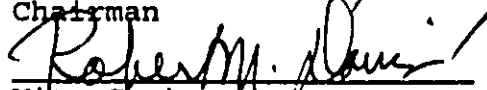
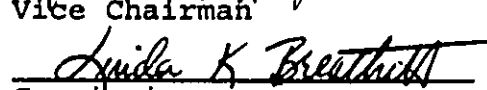
2. The rates in Appendix A are approved for service rendered by South Hills on and after the date of this Order.

3. Within 30 days of the date of this Order, South Hills shall file with the Commission its revised tariff setting out the rates approved herein in conformance with 807 KAR 5:011.

Done at Frankfort, Kentucky, this 24th day of February, 1995.

ATTEST:


Executive Director

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-333 DATED FEBRUARY 24, 1995

The following rates and charges are prescribed for the customers in the area served by South Hills Subdivision Sewer System. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rate

Residential

\$13.67